

REMARKS

Claims 1 and 5 have been amended and together with claims 2 and 3 remain in the application. The Applicant has noted the examiner's rejection of claims 1, 3 and 5 under 35 U.S.C. Section 103(a) as being unpatentable over Skinner '311, and the examiner's rejection of claim 2 under 35 U.S.C. Section 103(a) as being unpatentable over Skinner '311 in view of Shavit et. al. '156, and respectfully requests reconsideration and withdrawal of the examiner's rejections.

Applicant respectfully submits that the §103 rejection of claims 1, 3 and 5 based on Skinner and the examiner's mere assertion that "it would have been an obvious design choice to one of ordinary skill in the art at the time of the invention to modify Skinner to have the ranking be for the supplier having inventory for the greatest number of queried products/services, as the result for the greatest 'capability' to supply products/services (as taught by Skinner) is directly proportional to a result for the greatest number of products/services, and to substitute one type of result for the other would produce similar desired information resulting in a similar final outcome" is improper and should be withdrawn. As an initial matter, the Office Action fails to identify a legally cognizable suggestion for taking Skinner and making such a "design choice." As a matter of law and fact, the examiner's assertion is impermissible hindsight and is not a proper demonstration of a suggestion or motivation to take Skinner and make such a "design choice."

The Applicant wishes to remind the Office of the bedrock legal principles for rejecting a claim under 35 U.S.C. § 103. Specifically, in *In re Rouffet*, 47 U.S.P.Q.2d 1453 (Fed. Cir. 1998) the Federal Circuit explained:

To reject claims in an application under section 103, an examiner must show an un rebutted prima facie case of obviousness. In the absence of a proper prima facie case of

obviousness, an applicant who complies with the other statutory requirements is entitled to a patent.

Id. at 1455 (citations omitted and emphasis added).

In the *Rouffet* case, the examiner had rejected the pending claims on a combination of references. The Board sustained the examiner. However, the Federal Circuit reversed the Board's decision and ruled that the examiner's rejections were legally impermissible because they failed to demonstrate a suggestion or motivation for combining the references in the manner proposed by the examiner. As explained by the Federal Circuit:

As this court has stated, "virtually all [inventions] are combinations of old elements," Therefore, an examiner may often find every element of a claimed invention in the prior art. If identification of each claimed element in the prior art were sufficient to negate patentability, very few patents would ever issue. Furthermore, rejecting patents solely by finding prior art corollaries for the claimed elements would permit an examiner to use the claimed invention itself as a blueprint for piecing together elements in the prior art to defeat the patentability of the claimed invention. Such an approach would be "an illogical and inappropriate process by which to determine patentability." To prevent the use of hindsight based on the invention to defeat patentability of the invention, this court requires the examiner to show a motivation to combine the references that create the case of obviousness.

Id. at 1 457-58 (citations omitted and emphasis added).

As specifically noted in Section 2143.01 of the *Manual of Patent Examining Procedure*, "[a] statement that modifications of the prior art to meet the claimed invention would have been 'well within the ordinary skill of the art at the time the claimed invention was made' because the references relied upon teach that all aspects of the claimed invention were individually known in the art is not sufficient to establish a *prima facie* case of obviousness without some objective reason to combine the teachings of the references. *Ex parte Levengood*, 28 USPQ2d 1300 (Bd. Pat. App. & Inter. 1993). See also *In re Kotzab*, 217 F.3d 1365, 1371, 55 USPQ2d 1313, 1318

(Fed. Cir. 2000) (Court reversed obviousness rejection involving technologically simple concept because there was no finding as to the principle or specific understanding within the knowledge of a skilled artisan that would have motivated the skilled artisan to make the claimed invention); *Al-Site Corp. v. VSI Int'l Inc.*, 174 F.3d 1308, 50 USPQ2d 1161 (Fed. Cir. 1999) (The level of skill in the art cannot be relied upon to provide the suggestion to combine references.).

These principles have not been followed in rejecting claims 1, 3 and 5 based on modification of Skinner or in rejecting claim 2 based on a combination of Skinner and Shavit. Merely stating an advantage or possible advantage of making a “design choice” or in combining references, as was done to reject the Applicant’s claims is *not* the same as showing a *motivation* to make a “design choice” as asserted by the examiner in Skinner, or in combining Skinner with Shavit.

On the contrary, in order to establish a *prima facie* case of obviousness, there must be *actual evidence* of a suggestion to modify a prior art reference or to combine two prior art references, and the suggestion to combine or modify the prior art must be *clear and particular*. *In re Dembiczak*, 50 U.S.P.Q.2d 1614, 1617 (Fed. Cir. 1999). In order to establish a *prima facie* case of unpatentability, particular factual findings demonstrating the suggestion to combine must be made. See, for example, *Ecolochem Inc. v. Southern California Edison*, 56 U.S.P.Q.2d 1065, 1072-73 (Fed. Cir. 2000) and *In re Dembiczak*, 50 U.S.P.Q.2d 1614, 1617-1628 (Fed. Cir. 1999). Indeed, the law is quite clear that an obviousness rejection must be based on facts, not conjecture.

The Supreme Court... foreclosed the use of substitutes for facts in determining obviousness under section 103. The legal conclusion of obviousness *must be supported by facts*. Where the legal conclusion is not supported by facts it cannot stand.

In re Warner, 379 F.2d 1011, 1017 (C.C.P.A. 1967). This longstanding principle has been followed to date. For example, in the unpublished Board decision, *Ex parte Megens*, App. No. 1999-0277 (B.P.A.I. Oct. 29, 1999), the Board stated:

Rejections based on 35 U.S.C. § 103 must rest on a factual basis. *In re Warner*, 379 F.2d 1011, 1017, 154 USPQ 173, 177-78 (CCPA 1967). In making such a rejection, an examiner has the initial duty of supplying the requisite factual basis and may not, because of doubts that the invention is patentable, resort to speculation, unfounded assumptions or hindsight reconstruction to supply deficiencies in the factual basis. *Id.*

The examiner's conclusion that it would have been obvious to incline Phillips' loading dock floor 65 rests on the completely unfounded assumption that it would be desirable to drain liquid from the floor. The Phillips reference, however, is devoid of any indication that liquid might accumulate on the floor or that such accumulation would pose a problem even if it did occur. It is therefore apparent that the examiner has resorted to improper speculation and hindsight reconstruction to overcome the admitted deficiency of Phillips vis-à-vis the subject matter recited in claim 1.

(*Megens* at pp. 4-5) (emphasis added).

In the present case the "suggestion" in support of the rejection of claims 1, 3 and 5 amounts to nothing more than a speculative statement that, given the alleged presence of the claim elements in the prior art and an advantage that combining these elements would allegedly achieve, a person skilled in the art would have found it obvious to make a "design choice" to create the claimed invention. The problem with this approach is that it effectively eliminates the requirement of identifying a suggestion or motivation for combining references or making a "design choice" modifying a reference from the obviousness analysis. More specifically, the analysis present in the Office Action proceeds in the following manner:

- (a) What elements are present in the pending claims?
- (b) Can these elements be found in prior art references?

(c) If they can be found, and the references themselves provide no suggestion for combining these elements, can some end or advantage be identified to combine the elements in the manner proposed in the Applicant's claims?

(d) If so, combine the elements or assert that there is a "design choice" modification to a reference in the manner proposed by the Applicant and reject the pending claims.

This mode of analysis is, of course, deeply flawed. Specifically, as noted by the Federal Circuit in the *Rouffet* quote identified above, *all of the elements of most claimed inventions can almost always be found in the prior art*. Therefore, the answer to step "b" above will almost always be "yes." Since it is a statutory requirement that all inventions have utility, there will also always be an identifiable end or advantage in combining the elements in the prior art in the manner proposed by any claim (e.g., if there was no purpose to an element in a claim it would not be included in the claimed apparatus, after all, who would pursue a claim with superfluous elements or a claim with no utility?). Therefore, if the "suggestion" requirement of 35 U.S.C. § 103 can be met by merely identifying any end or advantage which will be achieved by combining the elements of the prior art references, the suggestion requirement can always be met and is utterly meaningless.

This inherent flaw in the analysis employed in rejecting claims 1, 3 and 5 is elucidated by viewing the alleged "suggestion" the Office Action identifies in support of the rejection. As noted above, in rejecting claims 1, 3 and 5 the Office Action states: "it would have been an obvious design choice to one of ordinary skill in the art at the time of the invention to modify Skinner to have the ranking be for the supplier having inventory for the greatest number of queried products/services, as the result for the greatest 'capability' to supply products/services (as taught by Skinner) is directly proportional to a result for the greatest number of

products/services, and to substitute one type of result for the other would produce similar desired information resulting in a similar final outcome.” The first part of the statement, namely, “it would have been an obvious design choice to a person of ordinary skill in the art at the time of the invention” is merely boilerplate language that does not address the suggestion requirement. The second part of the statement, namely, “to modify Skinner to have the ranking be for the supplier having inventory for the greatest number of queried products/services, as the result for the greatest ‘capability’ to supply products/services (as taught by Skinner) is directly proportional to a result for the greatest number of products/services, and to substitute one type of result for the other would produce similar desired information resulting in a similar final outcome” simply states what the proposed modification of the primary reference is to be. This second part of the statement, thus, describes the proposed modification, but offers no explanation of a motivation for making that modification.

However, while it may be true that possible advantages may exist in making a “design choice” that is not a suggestion in and of itself. “The mere fact that the prior art may be modified in the manner suggested by the examiner does not make the modification obvious unless the prior art suggested the desirability of the modification.” *In re Fritch*, 23 U.S.P.Q.2d 1780, 1783-84 (Fed. Cir, 1992) (emphasis added). Here, the Office Action does not identify any evidence in the prior art indicating or in any way suggesting the desirability of the proposed modification. Indeed, the Office Action’s naked, conclusory statement amounts to nothing more than stating: A person of ordinary skill in the art would be motivated to modify Skinner to have the ranking be for the supplier having inventory for the greatest number of queried products/services, as the result for the greatest ‘capability’ to supply products/services because they would want to gain a benefit from showing results ranked by the supplier who can best fill the buyer’s entire order. In other words, the examiner is effectively saying that the motivation of making the specified

“design choice” is to have the inherent benefit of the “design choice.” Of course, such circular reasoning (i.e., add “X” to have “X”) cannot be a legally proper tool for identifying a suggestion or motivation. If it were, no combination of old elements would ever be patentable since one can always nakedly state, a person would be motivated to add old element X from one reference to another reference or make a “design choice” to one reference because adding element X or making the “design choice” offers an advantage (again, if adding “X” had no advantage, who would ever claim it?). Simply put, there is *always* an advantage to making “design choices” or combining old elements that can be identified through hindsight once that combination is known. The MPEP further proves this point. In particular, MPEP § 2144 states that “the strongest rationale for combining references is a recognition.... in the prior art or... based on established scientific principles or legal precedent, that some advantage would have been produced by their combination,” The MPEP cites *In re Sernaker*, 702 F.2d 989, 994-95 (Fed. Cir. 1983) to support this proposition.

Looking at the *Sernaker* case, we see that the Federal Circuit states: “The lesson of this case appears to be that prior art references in combination do not make an invention obvious unless something in the prior art references would suggest the advantage to be derived from combining their teachings.” *Sernaker*, 702 F.2d at 995-96 (emphasis added). Notice that this statement does not state that it is obvious to combine references simply because there is an advantage to doing so. On the contrary, a carefully states that there can be no obviousness ruling unless something in the art suggests an advantage to combining the references. The advantage itself is not the suggestion, but rather the Court makes it clear that something else must suggest the advantage.

In the present case and the present rejections, rather than identifying something in the art that suggests an advantage to making the specified “design choice” or combination, the Office

Action just looks for the advantage itself and mislabels that advantage as “suggestion.” As explained above, this is a literal elimination of the suggestion requirement. Since there is always an advantage to a claimed element (or why would you claim it?), the Office action’s misplaced view of an advantage as the suggestion inherently renders all “design choices” and combinations of old elements unpatentable precisely because it eliminates the suggestion requirement from the analysis. Clearly, neither the MPEP section noted above nor the *Sernaker* case upon which that MPEP section rests for authority stands for the proposition that an advantage of an element is a suggestion in and of itself for including that element in a combination.

In view of the foregoing, the Applicant respectfully submits that the §103 rejection of claims 1, 3 and 5 must be withdrawn because the rejection fails to identify a legally proper suggestion for the “design choice” described by the examiner, and similarly, the Applicant respectfully submits that the rejection of claim 2 based on a combination of Skinner and Shavit should be withdrawn because the rejection fails to identify a legally proper suggestion for combining the prior art references in the manner proposed by the Office Action. In other words, the Office has failed to establish a prima facie case of obviousness under 35 U.S.C. § 103. On this basis alone, the rejections of claims must be withdrawn.

Furthermore, the Applicant respectfully re-submits that Skinner teaches a system whereby buyers can search for multiple amounts of the same product/service by entering a single search query, with the system ranking the search results by the suppliers that have the greatest capability to supply multiple amounts of the same product/service or best pricing/terms for the particular product. Paragraph [0010], lines 22-25 of Skinner refer to ranking of suppliers for “each defined supplier role,” not by capability to fulfill an entire order comprising multiple different types of products/services. See also paragraph [0043] step 302 – “the user identifies a product of interest.” Skinner is directed to the need to interact with multiple suppliers where the

various different products desired are not all available from a single vendor, as discussed in Paragraph [0002] of Skinner. While Skinner may disclose a system for purchasers to make price and supply quantity capability comparisons with respect to multiple vendors with respect to a particular products, there is no suggestion in Skinner of vendor ranking by capability to *fill an entire order* of multiple different types of products. Paragraph [0008] of Skinner which describes the method, consistently refers to searches for single products. Furthermore, Skinner does not teach or suggest a method or system for purchasers to search for multiple different products/services via a single search query for the entire multiple product/service order, and receive search results ranked by the vendor that can best fill the entire multiple product/service order, which is what the Applicant's invention provides. The examiner's reference to paragraph 0043, lines 40-51 takes the words used therein out of their context to set up a rejection, as if mere word searches could be used to find the words used in a claim and thereby reject a claim. If that was the case a dictionary or an encyclopedia could be used to reject every claim. "Testing services" as used in said passage in Skinner is a general reference to a single type of service, i.e., testing. "Other services" as used therein refers to other categories of services, but it is not used in the context of being able to query for multiple different services in ONE query. On the contrary, the same paragraph 0043 at lines 53-54 specifically states that "steps 307 and 308 may be repeated for multiple services for the product." This clearly means that a *separate* query must be done for each of the multiple services, rather than a *single* query as in the Applicant's invention as claimed.

The novel capability of the Applicant's invention greatly improves simplicity and efficiency in the procurement of products/services in that purchasers can more easily evaluate and select the best vendor for a multiple product/service order, also maximizing the potential savings from getting the best "package price" for an entire order.

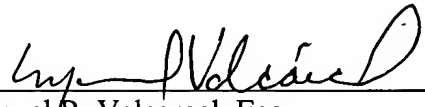
As such, Skinner does not teach or suggest all of the Applicant's claim limitations, as amended, and *prima facie* obviousness is not established. The Applicant respectfully submits that its invention as claimed is not obvious in view of the patent publications cited by the examiner. The Applicant therefore respectfully requests that examiner withdraw the rejections of all of the Applicant's claims.

The Applicant respectfully submits that the application and claims, as amended, are in condition for allowance. Nonetheless, should the examiner still have any comments, questions or suggestions, the examiner is respectfully requested to telephone the undersigned at the telephone number listed below.

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